

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

Applicant: Harry Thomas Kloor

Serial No: 09/714,018

Filed: November 16, 2000

Title: DUAL TRANSACTION  
AUTHORIZATION SYSTEM AND  
METHOD

Docket No: 18822-11

Group Art Unit: 3627

Examiner: Maria Teresa T. Thein

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Commissioner for Patents  
P.O. Box 1450  
Alexandria, VA 22313-1450

**DECLARATION OF PRIOR INVENTION UNDER 37 C.F.R. 1.131**

**PURPOSE OF DECLARATION**

1. This declaration is to establish prior invention of the invention in this application in

- ☒ the United States  
☐ the NAFTA country \_\_\_\_\_ (name of country)  
☐ the WIPO country \_\_\_\_\_ (name of country)

at a date prior to the effective date(s) of the cited art:

- ☐ publication(s)  
☒ patent(s)

that was cited by the

- ☒ Examiner.  
☐ Applicant.

2. The person making this declaration is (are):

- ☒ the inventor(s).
- ☐ only some of the joint inventor(s) (and a suitable excuse is attached for failure of the omitted joint inventor(s) to sign).
- ☐ the party in interest (and a suitable explanation as why it is not possible to produce the declaration of the inventor(s) is attached).

### FACTS AND DOCUMENTARY EVIDENCE

3. To establish the date of the invention of this application, the following attached documents and/or models are submitted as evidence:

*(check all applicable items below)*

- ☐ system description/design.
- ☐ sketches.
- ☐ blueprints.
- ☐ photographs.
- ☒ reproduction(s) of notebook entries.
- ☐ model.
- ☐ supporting statement(s) by witness(es) (where verbal disclosures are the evidence relied upon).
- ☐ interference testimony.
- ☐ invention disclosure documents.

From these documents and/or models, it can be seen that the invention in this application was made

- ☐ on \_\_\_\_\_
- ☒ at least by the date of October 4, 1997, which is a date earlier than the issue date of the reference(s).

**DILIGENCE**

5. The person making this declaration declare(s) that there was either reduction to practice prior to the effective date(s) of the reference(s) or conception of the invention prior to the effective date(s) of the reference(s) coupled with diligence from prior to said date(s) to a subsequent:

- ☐ actual reduction to practice.  
☒ filing of this application or the U.S. provisional application thereof.

**TIME OF PRESENTATION OF THE DECLARATION**

*(complete (a), (b), (c), or (d))*

- (a) ☐ This declaration is submitted prior to final rejection.  
(b) ☐ This declaration is submitted before appeal and this application does not have a final rejection.  
(c) ☐ This declaration is submitted after final rejection but before or on the same date of filing an appeal. A showing of good and sufficient reasons why the affidavit or other evidence is necessary and was not earlier presented in compliance with 37 C.F.R. § 1.116(e) is submitted herewith.  
(d) ☒ This declaration is submitted after the prosecution is closed (e.g., after a final rejection, after appeal, or after allowance). The affidavit/declaration or other evidence is filed with a request for continued examination (RCE) under 37 C.F.R. § 1.114.

**DECLARATION**

6. As a person signing below:

I hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code, and that such willful false statements may jeopardize the validity of the application or any patent issued thereon.

**SIGNATURES**

7. Inventor(s)

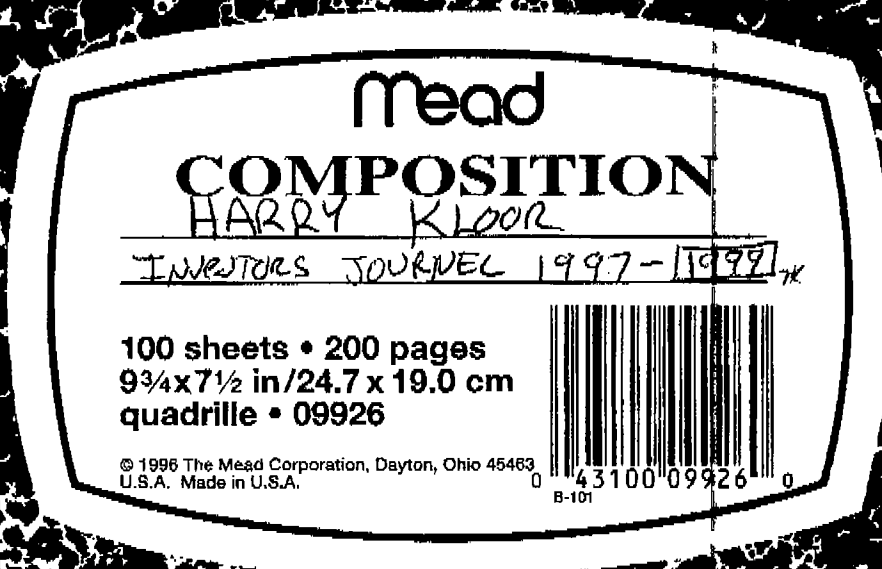
Full name of sole or first inventor: Harry Thomas Kloor

Inventor's signature Dr. Harry Thomas Kloor

Date 5-17-2007 Country or citizenship USA

Residence Woodland Hills, California

Post Office Address 5270 Darro Road, Woodland Hills, CA 91364



**QUADRILLE**  
5 squares per inch

## INVENTORS JOURNAL

START JUNE 1 1997

THE FOLLOWING MATERIAL IS  
HIGHLY CONFIDENTIAL AND IS PROPERTY  
OF DR. HARRY KLOER. IF FOUND  
A REWARD WILL BE GIVEN IF BOOK  
IS RETURNED.

541 477 5109

1060 Graduated Grants Pass OR  
97527

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①  
JK

① CHAT-ADBOTOCT  
1997  
4

It seems to me that in this invention, one could use foreign deep labor as an alternative to AT engine. I don't know if the economies would work or not, but if you could bring power to low brake along, then seems it would work. I still prefer AT.

My research continues. I have not found clear demonstration of AT engine - This may take some time.

HAVE Another FREA - but first my style on ② Mountain / Space MAIL

I started work on Cassini-Huygens mission proposal - JPL could be possible partner at this - perhaps as function of future Mars, moon mission. Question is sound with.

③ Breit Augmentation Invention

I am still talking to medical personnel on vascularisation question. U

NEW DEAL SAFE CREDIT / user CARD / Authentication CARD

CREDIT CARDS HAVE become much too easy to steal, because no one actually confirms the identity of the user. Fake ID's, phone orders, internet all create security risks that makes old system of verification easy to circumvent.

A SAFE CARD changes that by having the credit card company issue a card that has established communication route with card owner.

Thank

10

SAFE CARD - own AuthorizationOct  
1997  
4

Here is how it works in simplest terms

- (1) Credit card company issues credit card to Credit Card Owner (CCO) going through the usual methods - i.e. fill out form, put in SST, all other required data
- (2) At time getting the card application the credit card company also collects additional information such as phone numbers, internet addresses, personal data CCO wants to use when validating a transaction. So for instance the CCB might list
  - (1) Primary Phone - Home phone
  - (2) Secondary Phone - Cell phone
  - (3) CCO @ gnatool.com internet address

Alternatively, if credit card is already issued, Credit Card owner would need to complete application - either a form, or paper, or writing that is equivalent to filling out application. I.E. - that has same data like address, SST, other's modem number, etc used to get a card.

The above procedure is important as you do not want a Thief to steal your card and establish a SAFE-CARD. IF the owner has to go through same type of Identity process that he would use when filling out application - a Thief will not be able to establish himself as the owner unless he has ALL Identity information which is FAR HARDER TO GET.

(Note - to make this even harder for a Thief I want to know how to protect SST?)

ONCE secure communication route has been established between CARD owner and Card company then

- (3) When credit card is used to make a purchase in addition to (a) credit card company or its authorizing 3rd party system being contacted to determine (i) if enough credit (ii) if credit card system, an additional authorization is required from (b) THE owner. The communication route

Waring 2

11

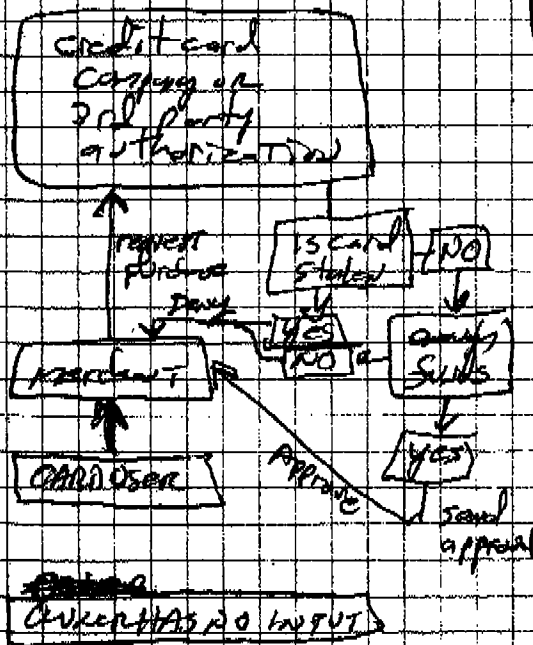


## SAFE CARD - CONT

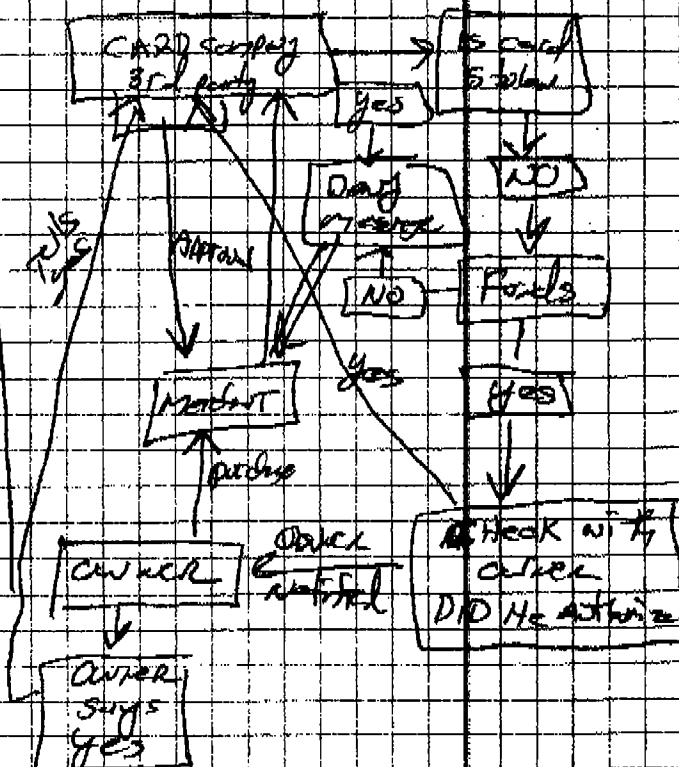
Oct  
9/97  
Hh

3d) The communication route established in step (2) is then used to send a message to the owner of the card. The owner then responds by giving approval (for instance he could simply press (1) for yes, (2) no, or could be more complicated - require password, etc). If credit card owner approves purchase then credit card company or its 3rd party authorization agent sends an approval - if credit card is being used by thief - then he will most likely not have access to computer type device and his purchase will be denied. In addition, the owner of the card will immediately know that someone is trying to use his CARD.

## old method



## new method



Hh (17)

SAFE CARDout  
97  
4LAST DIAGRAM IS MESS Lets try  
AGAIN

- (1) Define credit card company / Bank party  
as Authorizing  
Company

(2)

Tradition

OWNER  
CARDMAKES  
PURCHASE

MERCHANT

Request

Authorizing  
company  
(1)Approval  
or  
denyDoes  
Merchant  
Not Report  
Status  
(2)

- (3) - Asks if conditions  
as policy are  
met

NEW CARDCredit  
Card

Purchase

Merchant

Approval / deny

Approval  
RequestOWNER  
Communicationmust  
approve  
requestAuthorizing  
companyDoes (1) Fail?  
(2) ok?  
(3) over approved?

\* so now if owner approves card only if he does  
is it possible for purchase to be approved

\* \* \* \* \* When I say credit card \* \* \* that includes any other  
info like expiration date, and even owners  
billing address.

(13)

Wolff

NOV 20

1997

JANISIA WORK Progress Report

- (1) Chat - Adbut - At this time it looks like the A.I. software necessary for this has yet to evolve. Will continue research on Turing Test A.I. applications. If my time to drop this one, will decide in next 3 months.
- (2) Knowledge mail - This looks great, still working on how to write up application - have much detail needed. I.E. - do I need to describe how it upgraded? Application will be fairly much easier if I could make project which is cutting most of my time work.
- (3) Safe Card - I love this one the most - need to do a lot more detail - so much ground to cover, as it seems that while idea is simple - all its possible "choices" will be a lot of work. Checked larger, cost - 200-300 Euro - so hard to draft as much as possible - also just scratch surface here.
- (4) Two other ideas
- Breast Augmentation - Need Get medical Research done - Still tracking this one (hard)
- Shaver Device - This is from last year, built real tested device - but not in love with this. I shall drop this one.

Page 14

NOV  
28 1997

# Breast - Augmentation

(1) Breast Reduction surgery They remove

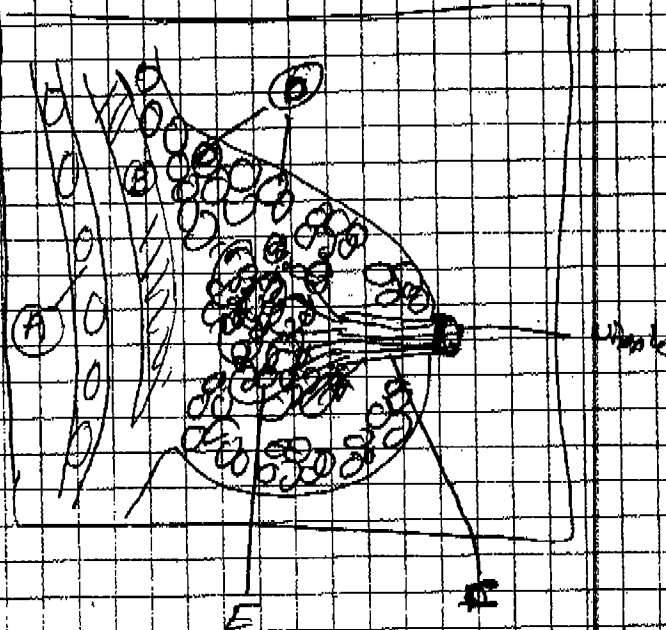
(1) Breast Tissue and (Glandular tissue)

(2) Breast FAT

- A - Chest / Rib cage
- B - Pectoralis major muscle
- C - Ducts for milk
- D - FAT cells
- E - Lobules (15-20)

The lobules and Fat cells determine breast size and shape.

Question - Would the lobules need cloning, to be cultured.



## SAFE - CARD

I have come up with list of applications class will list have and start writing and diagrams

- (1) Home purchases - phone orders
- (2) internet purchases
- (3) using cell phone
- (4) other future devices
- (5) use with other financial instruments - checks, giftcards, etc
- (6) ?

(PS  
2/10/97)

(SAFE-CARD)NOV 28  
97

- ① Note - KEY ELEMENT OF THIS CARD IS TO KEEP IT SECURE FROM THIEF. SO UPON ESTABLISHING COMMUNICATION ROUTE CREDIT CARD COMPANY MUST AGREE WITH THE FISCAL AUTHORITY THAT IT AGREES TO ISSUE A CARD WHEN ESTABLISHED COMMUNICATION ROUTE.

TO BECAUSE MOST CREDIT CARD COMPANIES ARE AUTHORIZED COMPANY - THIS MEANS YOU ESTABLISH LINK TO AUTHORIZED COMPANY AT THE CREDIT CARD COMPANY - SOME SECURITY CHECK MUST BE DONE.

SO IF YOU DO THIS - THEN IF THIEF GETS YOUR NUMBER FROM MAIL, OLD CARD, CLOAK CARD, PHONE ORDER, COPY RECEIPT, ETC HE WILL NOT BE ABLE TO BYPASS THIS SECURITY METHOD BY (1) CREDIT COMMUNICATION ROUTE OR (2) ESTABLISHING IT IN FIRST PLACE.

- ② ITEM 2 IS MOST IMPORTANT - AS SO MANY CREDIT CARDS - IF YOU IMAGINE CREDIT CARD COMPANIES OFFERING THIS SERVICE TO EXISTING CREDIT CARD HOLDERS - SO WHAT THIS PROTECT PROCESS TO REQUIRE SECURE WAY OF DOING THIS. JUST GIVING LAST 4 DIGITS OF SSI WILL NOT WORK. MUST USE FULL SECURE IDENTITY CHECK.

SO WHAT IF IF THIEF HAS YOUR SSI AND SSI ① → KROGER'S (MAY HAVE) COULD HAVE ISSUE ② LOT MORE PROBLEMS THAN JUST LOSING YOUR CREDIT CARD. THERE THIS PROTECT CAN ALSO COVER PROTECTING YOUR VERY IDENTITY.

(How?)

16  
Nov

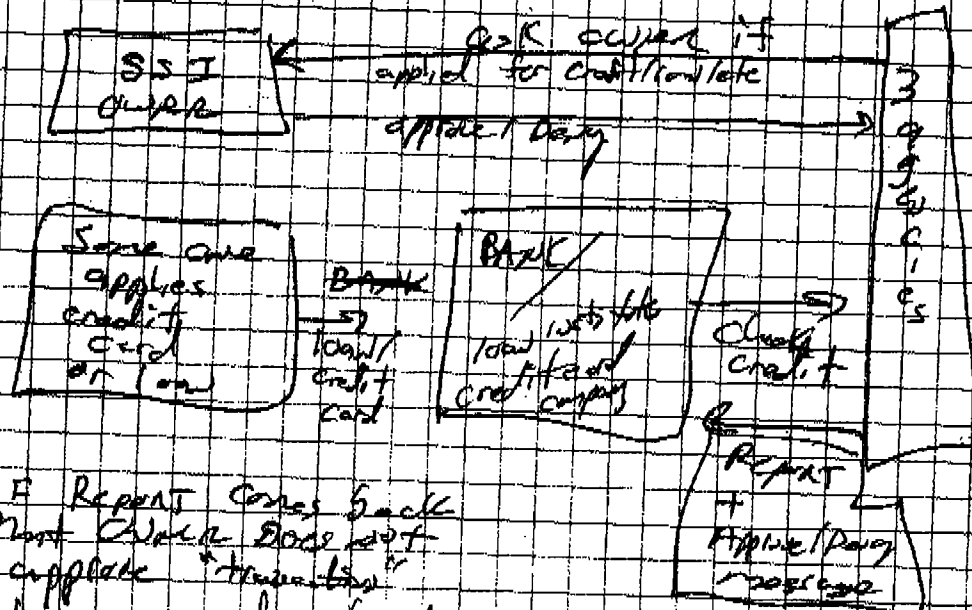
SAFE CARD

NOV 28, 99

There are 3 top profit agencies in America and perhaps 100 world wide. With regard to Identity Theft - the 3 American ones are only covered.

The concept of this invention is OWNER Verification - This does not need to be just for credit card. Can be for his checks, his bill, his bank account, his SSI number.

Take SSI # as owner's Identity Credit Card #  
There are 3 Agencies that get involved when owner of SSI has not loan or credit card. One could expect that ~~the~~ owner requires verification notice before anyone gets a report or if they do get report - That clearly flags report that owner must give verification to 3 credit agencies before credit loan is granted.



IF Report comes back that check does not approve transaction then no card or loan is issued

17  
7/1/00

SAFE-CARD

NOV 28 97

This expansion of invention would protect against Identity Theft in most cases. SST - Just one thing - could expand this to cover most identity issues - if it involves owner and his friends. Lots detail use with checks, got to post later as moving that online.

## Process For Checks

- ① Order Establish with Bank communication route  
New users used who checks be written on cash

- ② In Above process, same method used when establishing OLIVER'S Identity to open account is used to create communication route.

Four instances - in this case he might create  
communication under USF fixation rule  
EPR

(A) checks 0.01 - 100 - 1V cell pack  
SSS-XXX - XXXXX

(B) For checks  $> 100$  by internet  $533 - xxx$

This way if he is skipping, he can give approval, and for other bills - we can approve them as they come into a

(Note some goes for credit each are on or off in front)

- (3) OWNER writes check buy Groceries -  
STORE sends process it - only bank or scans  
it - before bank gives approval - calls owner  
to verify he wrote the check

2nd example - Cullen pays for Ritten - Cullen checks  
\$500. P-juror goes C's check - balance  
may be approved to be removed from Cullen account.

3rd Example - Cliven does not quite die - his  
check is stolen. That he sent for Post, name  
is changed to Paul Lewis BARK ~~with BARK~~  
~~trails~~ even in Cliven says were Paul Lewis  
Does not know person - claims check.

2/10/18

Dec 5  
1997SAFE CARDNeed to figure details w/ my  
1st from Nov 28.Broker Agreement- Need to detail closing steps  
better.SAFE CARD① Have purchase by phone. So really  
phone purchase. CLAIM should cover  
this(STEP 1) Process window, use/owner calling in a purchase  
with his safe card(STEP 2) Merchant checks with Authorizing Company / Credit Card Co.  
using normal procedure(STEP 3) Because this safe card - Authorizing Company / Credit Card Co.  
take normal checks, but also checks with owner  
through established communication - phone, internet, call pad  
etc.(STEP 4) Owner ~~request~~ ~~approval~~ or receives authorization request(STEP 5) Authorized company gets owner's response. IF  
NO - purchase is denied - merchant told purchase not  
approved. IF (yes) then Authorizing company checks  
approval code provided other standard conditions met  
such as sufficient funds available, account active, etc.Changes and  
Extra Protection:

When owner uses safe card he could have  
option when establishing his communication route to safety  
level.  
~~OR~~ Changing it - not obviously owner could  
contact credit card company - use identity security  
info at least needed to get credit card - to change  
not only how communicated to - but level  
of security protection.

Options to be covered by Claims

- ① Use passwords
- ② Use fingerprints, voice, retina - other bio-metrics
- ③ Use questions to be answered, etc.

18-1d

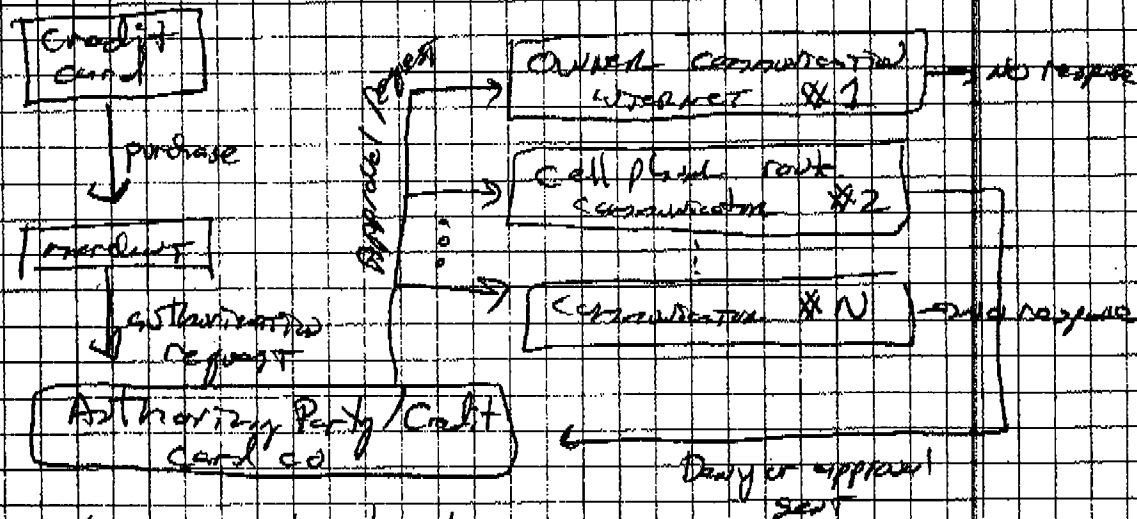


# SAFE-CARD ② CLAIM that covers

Dec 5  
1997

INTERACT purchase

INTERACT is other use - Obviously the expense of  
 MULTIPLE COMMUNICATION ROUTES - Shopping bill may have a different communication route.  
 So patent it file should contain this option.  
 Now authorization company might not know how you are shopping. So claim or invention description should account for following - When owner establishes his communication route (or communication routes) he might want MULTIPLE - COMMUNICATION ROUTES used and as long as he replies by one of them - the transaction can be approved or denied.



(in above example obviously communication can take from any of these routes, so cell phone just example)

SO you could select multiple communications to be notified but in this process require only one response back

So back to credit card purchase by internet

AK 20

DOES  
1997

SAFE CARD device for request use  
"request address"

(When I say <sup>unique address</sup> nearest approximation rule it could be unique IP address if that IP address is permanent, it could be unique email address, etc.)

OWNERS INTERFACET Address: Define as communication route to owner via established route to email address, IP address, etc.

## Internet Resource Clipping

(STEP) OLIVER makes purchase through his computer and the internet (the machine buys a TOY).

(step 2) Ollie provides credit card info (credit card #, expiration date, billing address) to merchant via merchant website.

(Step 2) Merchant from website (computer) sends credit card number/exp. date/req. with request to authorization company for approval.

(STOR4) Authorization company, sends approval request to group. Offer or before checking that other should approval conditions are met. IN THIS PROCESS THE APPROVAL COULD BE SENT TO ONE COMMISSIONER OR TO MULTIPLE ones at once. ALSO POSSIBLE THAT IT COULD BE PROGRAMMED TO SEND FIRST TO ONE COMMISSIONER, AND IF GET NO RESPONSE, THEN SEND TO SECOND one, and so on.

[I see this gets complicated! Aargh!]

(STEP 5) Server gets authorization request, and replies

(STEP 6) Authorization Company sends approval or not depending on review.

Note - (A) Communication routes can be rotated a planes, or cell plane and wavelength, or hybrid plane, or some other type configuration device.

The lake still needs catch up Anguilla caribbea  
Brook so it's years completed - 100%  
KK

SAW  
19  
1998

## SAFE-CARD - User Authorization

As I have worked on this invention, it has become apparent that while core process is well defined, there are a host of claims, and a large number of ways to implement how the communication route could be leveraged. My goal here today is to recap the first stage of the patent process and the options that I envisioned.

### STAGE 1: Establishment AND/OR Change of Secure Communication Route.

The first STAGE of this patent process is creating communication route between the Credit Card Company and the Credit Card Owner. I note that this process does not just cover credit card company - this is and will be my generic term but also covers Banks, Credit trading institutions & SST, etc.

The first stage also involves the protocol that will be used as will be detailed.

When the communication route and its protocol is established the security method used to create credit card is same one used to establish the communication route/protocol. This may be done (1) At same time you file for card or (2) with existing card. It is also likely that owners from time to time will want to change communication route. In order to do this they will need to go through identity security process used when getting credit card.

Now there are a variety of ways that communication route can be used. I will detail the various options next.

25/2/2007

## Communication Routes / Protocol.

Jan

17

1998

- An Owner can designate 1 or more "Communicators" that will be used to make an authorization request to the owner. The "communicator" could be (1) Internet address - which could be email account, IP address that is fixed that communicates with peer software, a peer software that might provide text, voice, call by video communication to others on Internet - provided that owner's identity is unique and secure to him. I.E. - it software acts like a phone for voice or text - that owner access with login name and password;
- (2) Any type of phone - home land line to cell phone to satellite phone etc.
  - (3) any wireless communication device - voice, text, data, video or any combination.
  - (4) Old communication route like mail could even be used - but obviously this would take long time and require mail to be delivered securely.
  - (5) Any future communication with advancement of technology we envision that new "communicators" will arise on and off internet.

In addition, the host of communicators that owner could designate. How and when communications for AUTHORIZATIONS are sent.

Owner for instance could designate that verification request is sent

- (1) TO All his communications stance, and as long as one responds that response will be sufficient to accept or deny. Alternatively Owner could require multiple messages, or 2 - or any combination.
- (2) Owner could designate credit and Authorization Company contact his communications in some order. Such first to Internet address and cell phone, then to 2nd cell phone, then to home phone, then to pager, etc.
- (3) Owner could designate levels →

96  
7/1/97

Jan 17  
1997

### SAFE-CARD COST

- (3) Owner could designate levels to his credit card use that Authorizing company would use when communicating and requesting authorization
- (A) For instance decision tree could be drawn by any SPRT 1st:
- 0.01 to \$50 - no authorization from first use or first 3 uses, etc
  - \$50 - \$200 - customer cell phone
  - \$200 - \$500 - customer cell phone and internet, etc
- (B) Decision tree could be by purchase
- IF for food, gas, or XYZ approve
  - IF for Joe's Bar Grill call call
  - IF for electronics call home number and call, etc
- ALSO - one could designate approval by city, or time of day, day week - pretty much any picture that you can imagine
- (C) Decision by delivery - This is useful for internet and phone orders. For instance if delivery is to Billinda Address then no approval request is needed. But if it is to another address then require owner authorization. Or any other restriction - Decision Tree
- (D) Owner could designate any level of password / ~~lock~~ lockability tests - for instance call made to cellphone - owner has answer question that he has set up, and asks for password. Or could be fingerprint scanned at his computer etc

27  
1/17

SAFE-CARDNAN 17  
1997

Any combination of the decision tree can be applied to this ~~over~~-Authorization process.

The foregoing illustrates the level of complexity that I must detail when I file. It also tells me that I better have everything thought out as I have not drilled down to specifics of all the possible claims. I think they are obvious to me but talked to Patrick (long time) - he said he has experienced that more I do, better when filing.

Also need to start getting diagrams, charts - I can do this - don't need much more.

OK, after it for now - try to sleep will have to sit to others next time then circle back.

*[Handwritten signature]*

*[Handwritten initials]*

# SAFE CARD - OWNER AUTHORIZATION

March  
6, 1998

## Recap Uses / claims

- (1) Phone Purchase / home ✓
- (2) Internet Purchase use ✓
- (3) VCC SSI & Credit Agencies
- (4) Use with Checks

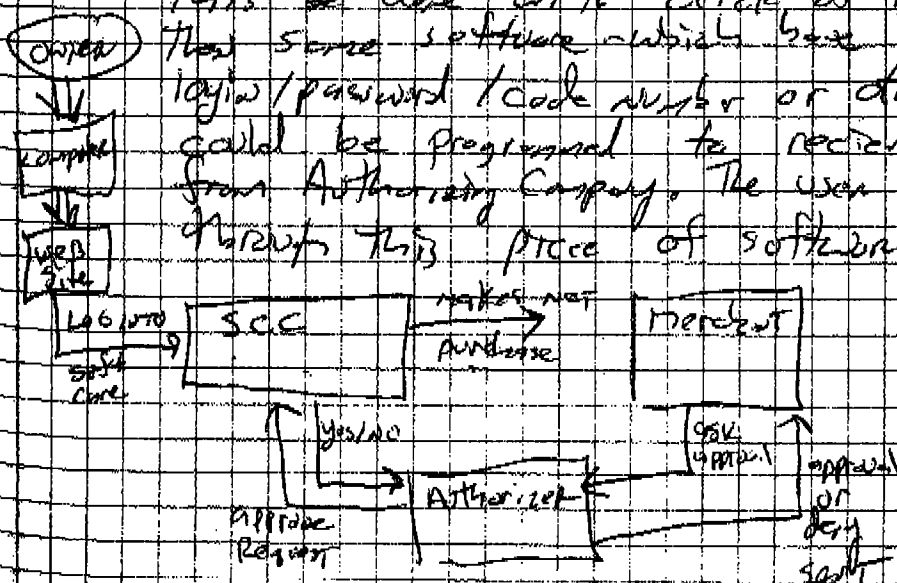
I have been thinking on variety of other ways this Safe Card could be used. One key pain in internet is having to type in your credit card number all the time.

It would be great if you could have equivalent of credit card online -

call this software credit card. The SAFE-card could work seamlessly with this type of software which it does not exist - should. Here you could exist as an communication - the software credit card - SCC - the SCC would be program stored on your computer or it could be stored on your website or 3rd party website.

When you make a purchase online - this software could be use to input credit card #, exp date, billing info, etc. This be done with click of button.

Then some software which have a unique login / password / code number or other identification could be programmed to receive communication from Authorizing Company. The user then respond through this piece of software.



36

## SAFE-CARD

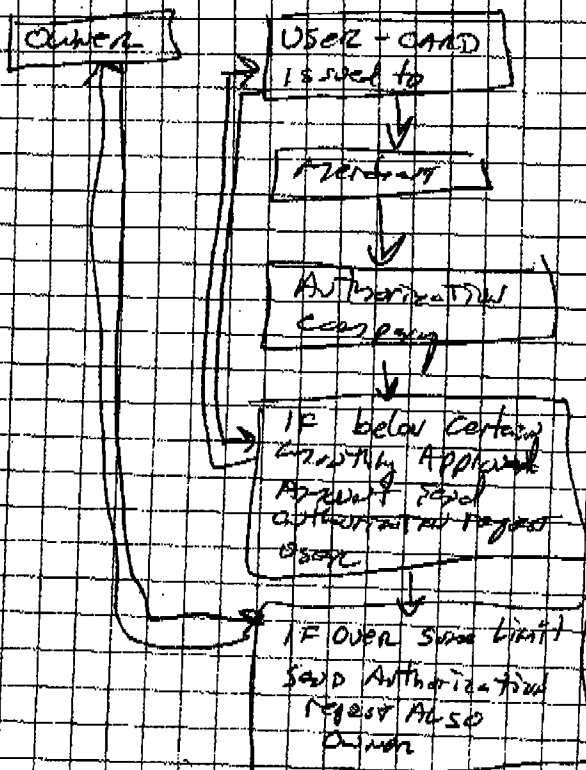
March  
1998  
20

Another software use - control from both  
I have so many ideas - need to combine them  
into logical set.

Another feature is number of variations that owner can  
use as combination plus authorization trace.

Note - Really should be calling this Dual-Authorization  
system as it involves traditional authorization  
combined with owner authorization & dual.

Another use aspect - Owner Approved but  
the card is issued to say a child. There  
are a lot of things parents can use this. I will  
address non-interest rights.



Here a decision tree  
is used to determine  
if the user - say  
a child or parent when  
is connected for authorization  
for low level or approval  
types of purchases. If  
certain credit limit set  
by owner / parent not  
met then the  
owner is contacted  
for authorization in  
addition to the  
allowed user.

⊙ - This is  
good addition  
as parent gains  
a much needed  
control.

38  
2/6



April  
14/1998STATUS

- (1) New paper idea from April 12 - Butte on line is liked by several of my fellow seminar friends - Corrine and John - but want to pull this off - they agreed to non-alcoholism
- (2) IPG - internet purchase group - I think this is also viable - continue to write up
- (3) Safe Card - This is my key invention - will continue to write this - these three will be my focus
- (4) Breast-MAG - only they do reports to research efforts - mostly trying to find medical facility to run experiment
- (5) Mail-mail - or hotel

SAFECARD

LAST time detailed how this invention could be used by child/parent and how parent and user in authorizing help. Ran out of time before I could complete my thought on this - also have internet twist.

\* Core idea is a credit card (checks/etc) some financial institution can have an owner who is a user and additional users.

Examples: Parent - child or children  
Two people - shared account  
Husband & wife

Then one embodiment of this invention is where owner is notified for authorization when a user uses the card that triggers some condition that was set. For example, the card goes over allowance level set by parent or type of use is not approved. In this embodiment both user and owner could be contacted simultaneously as first user, then owner. Or owner did not see user, you could also just have the owner contact first. I would recommend that while parent card this is not wise to exclude user.

(43) HK

May  
21  
1998

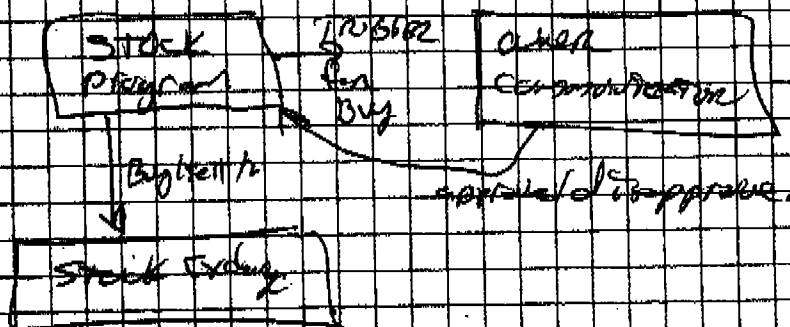
## SAFE CARD

Last time I discussed Embulger that covered owner that was a parent - owner and user that is child or spouse. This leads to creation Embulger IDem.

Embulger involving stock purchases. Here instead of credit card - the financial instrument is a trade account that owner sets up with Broker Firm. A communication route is established at the same time (during the identity security methods) as account is established, or for an existing account the same security identity questions used allow opening the account.

The account could then be set up for stock Broker to make purchases but if certain condition is met, this could trigger an authorization request to the owner.

1st this embulger the "Broker" could also be a program designed to make automatic trades. The owner could be notified by the brokers program to buy/sell/trade based on conditions of notification the owner set.



49 JK

## IPG / Safe Card

May  
24 1999

### IPG - INSTANT Purchase Group

Following up on my April 24 thoughts - Users could subscribe to IPG to be notified if special opportunity arises for "desired item". This crosses over slightly to Safe Card Invention - a communication code used to request when purchaser wants to participate in the deal. A time limit to decide is easy, user signals yes or no and if yes, the charge is made on users account, credit card, etc.

### SAFE-CARD - A more detailed communication

code being used in at least Invention. Note that while IPG uses this it's not linked to this invention. But does it cover other Embodiments Applications for Safe-card?

Does this concept/invention extend to other website applications?

Does it extend to other non-financial transactions?

Are there Embodiments - Applications for credit card use that I am leaving out that entire invention can exploit?

Are there identity uses?

Are there business uses?

What loopholes could thief exploit?

These are next things to address in this patent.

ZZ

(50)

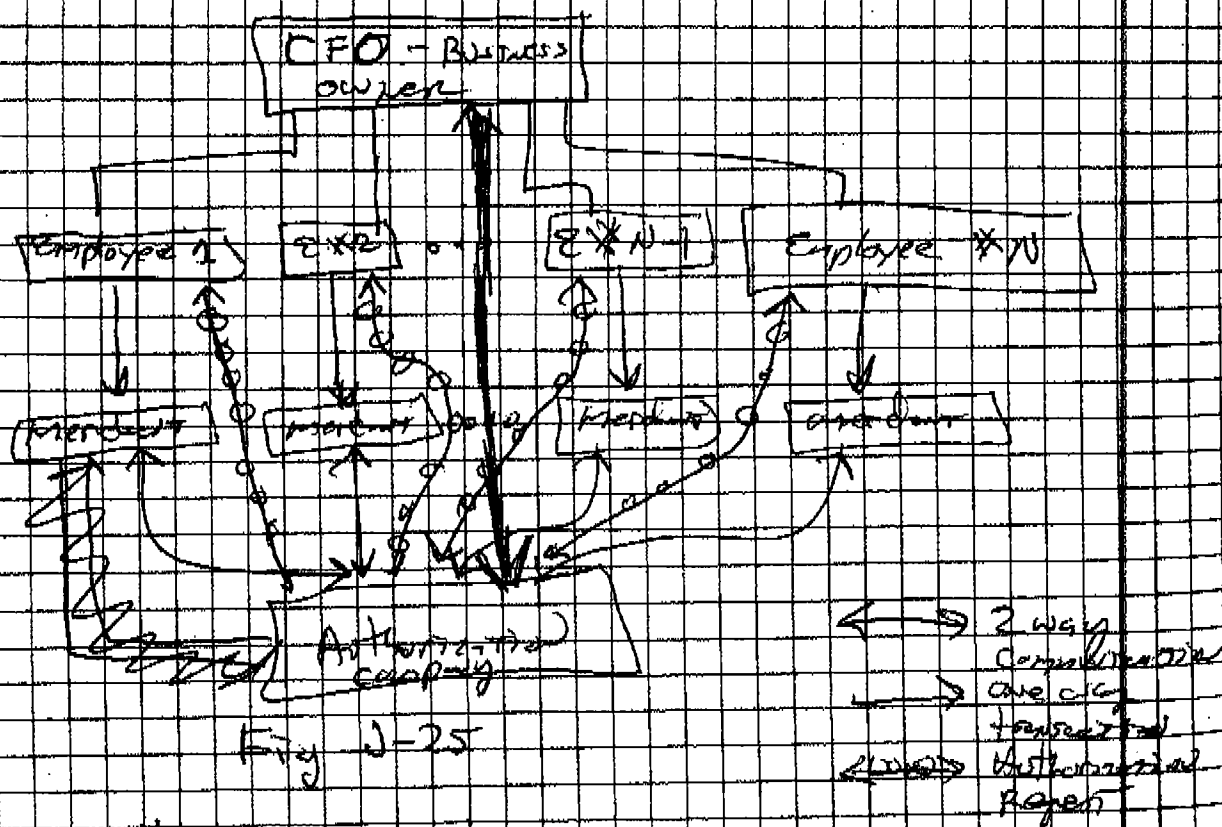
Jesse

25/1998

SAFE CARD / Other Activities

Last month I left off bank of Georgia, but before address those I want to detail on employees - Application I have been playing with for couple months but have not had a chance to conclude - That Goal Here

This Employer involves Corporation issuing credit cards to its employees. This has complexity and conditions different than Robert-Child USA.



Here company issues credit cards to its employees. The credit card number are different for each employee so use can be tracked.

(55) UK

## [Safe card]

June  
25, 1998

Here CFO/President/Executive is the owner and employees are users - owners. By this I mean employee is only user of the card and its limited to him ~~and~~ but he is not person who pays the bill. STRIKE that - he could be paying the bill and seeking reimbursement - is this another application? - have to answer that later. Let's stick to employee does not pay bill - he has set limit and approval uses. For this card the authorization would come to employee unless he hits some trigger set by the CFO/Boss owner. If hit a trigger - Authorization is sent ALSO to the CFO. The CFO in essence has VETO option.

How does this differ from previous card application? Not sure that it does. Decision tree be different, but seems like this is same application - so combine this with other one.

If Employee pays for account, but CFO has veto option - this could be different application & consequences. Here company might want build a safety condition for its employee who uses credit card that is his own or that he pays but then seeks reimbursement. So that he can get guaranteed reimbursement Employee and business could establish an approval process that will enable employee to know immediately if company will reimburse. In this case CFO should first ask Employee so he can still authorize but with knowledge as monitored by CFO or not!

WJW  
26

July 19, 1998

Owner authorized  
SAFE CARD

Lot of things piling up on this project  
and on Barter.com. I want to explore  
any new applications used to answer  
questions.

I have not come up with any <sup>new</sup> software applications.

Other - website Applications? I want to  
explore this. Website's are coming up  
with a host of subscription services,  
membership, etc. Barter.com idea and  
IPG are two ideas I am working on.  
Numerous others can be found on the  
net. Some memberships are just  
for tracking information - but others  
involve more substantial transactions.  
So I am looking at A

So what's the General Application?

WEBSITE / Internet Business takes the  
place of credit card company.

So enters the credit card → the  
user login / password.

OK that works. So in the

Application the owner of  
the web-account establishes  
an account - he goes through

and some process that's much more

(<sup>user</sup> Secretcard - Authorization) <sup>corr</sup>

July 14  
1998

Complex flow supplying name & address. So  
on website - imagine owner applies for  
membership that includes travel. So  
that this website has produce power  
and then purchased via this membership  
and one shipped to deliver better  
you create the membership - user has  
an LOGIN AND PASSWORD. Now its easy  
to imagine that user could have  
this LOGIN & PASSWORD stored. Now  
that could be the website to make  
purchases - but if that time to  
change address that they shipped to  
An Authorization Requester is

then sent to the owner via  
"established communication". ONLY through  
this communication can address be changed.  
Approval Request sent to owner - say to cell phone  
so if owner made the change, then owner  
can approve it - if anyone else has his  
LOGIN password he can deny the change.

**Note** - This entire process could include  
a notification sent via the secure LOGIN ID  
- so even if password is correct - cell phone is  
called for proof of owner to get access approved.  
This is call. Use this for extra secure email  
accounts, bank accounts, etc.

• •

58  
1/1

SEPT 3  
1998SAFE-CARD / User Authn

WEB-IDEA - July 19 shows one more viable application.  
I am sure there are others - but as given has  
answer of what happens if Order uses  
credit card in a store and there is  
no cell phone coverage?

Many times no cell coverage - so what then?

Answer ① You could have low level of  
pre-approval so that don't  
have to worry. Say if you  
buy lunch

② Have pre-approvals for things  
purchases you could normally make.

BUT what if you don't have coverage outside  
of store?

③ You could have option to  
Pre-authorized on purchase  
via your approval commitment.

For this embodiment - User has  
the option of going to pre-authorized  
Authorized Company - if it can recognize  
that approval commitment rate (like credit card,  
mail, or phone X) Then will grant approval  
if request comes in.

For example, Chase knows he has big limit  
so calls w/ \$2000 automatic approval level on  
his card for Reday. If request comes in  
that day that falls or is below \$2000 - it's  
approved - it even card is contacted.

68

(64) what?



Scot  
12/1/99

# (SAFE CARD)/USER AUTHORIZATION

One OPAI Question I asked myself was what  
back doors if any exist that threat can exploit?  
To answer the "Why authorization is needed" - I  
think I need to examine this.

① How threat get credit card.

- ② Steal Number online → AS LONG AS OTHER PASS  
NOT Provided has login (password)  
to his communication card  
if he online he is safe →  
A KEY LOGGER could get  
this - so recommendation  
should be - always online - if  
don't use SONYVA-IP then  
use other communication
- ③ Clear credit card  
when its used  
at Merchant
- ④ Get Number from  
Stolen email
- ⑤ Get the X from  
receipt or  
copy of card → NO DANGER - NO ACCESS
- ⑥ Third steals card  
AND communication → AS LONG AS CANNOT Copy  
communication by MAIL  
OK - NO DANGER  
NO DANGER
- ⑦ There is DANGER - BUT A  
Simple PASSWORD would  
stop thief - unless owner  
also details passwords

Biggest Danger is ② followed by ⑤. 12

Someone steals cell phone or other communication -  
very likely to know the SONYVA as known  
the invention allows clear path to  
contact company & provide required high  
secure identity before and change the  
communication.

⑤  
OK

NOV 26  
1998

used  
SAFE-CARD / AUTHORIZATION

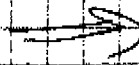
THE SEARCH CONTINUES TO DETAIL  
ALL POSSIBLE EMBODIMENTS FOR  
THIS INVENTION. NEED TO START  
TYPING THIS UP. GOAL - GET EVERYTHING  
TYPED SO FAR BY END OF YEAR.

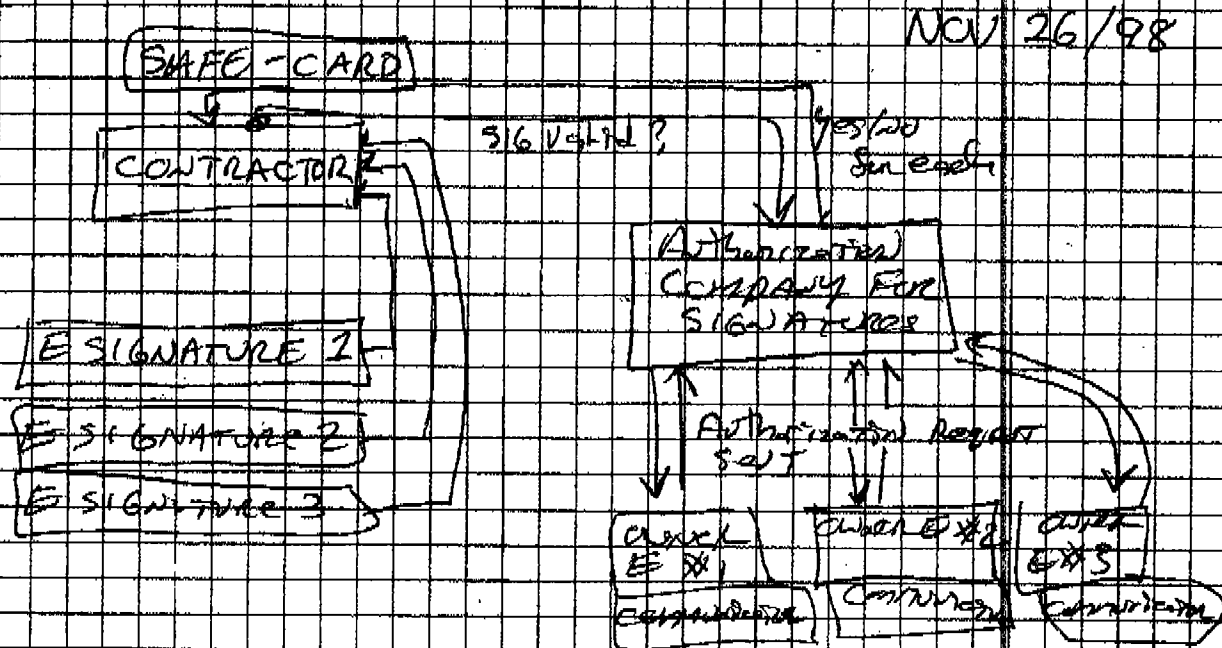
BUT FIRST - SINCE LAST WORK -  
I HAVE FIGURED OUT A NON-FE  
FINANCIAL APPLICATION - AT  
LEAST NON-FE CREDIT CARD - BANK - SSI  
APPLICATION.

### ELECTRONIC-SIGNATURE AUTHORIZATION

- HERE OWNER OF SIGNATURE GOES THROUGH  
A REGISTRATION PROCESS THAT CONFIRMS IDENTITY.
1. THIS COULD BE BY PHONE, INTERNET, OR FOR  
MOST SECURE AT PHYSICAL LOCATION BY PRESENTING  
ID, FINGERPRINT, ETC.
  2. AS PART OF THIS PROCESS, OWNER PROVIDES  
ONE OR MORE AUTHORIZATION COMMUNICATION ROUTES.
  3. OPTIONALLY - OWNER ALSO MIGHT PROVIDE PASSWORD,  
OTHER METRICS.
  4. OWNER ~~NEEDS~~ IS INVOLVED IN CONTRACT  
PROCESS - SAY WITH 4 OTHER PARTIES.  
IF EVERYONE IS ~~REGISTERED~~ REGISTERED  
THEN THEY CAN SIGN CONTRACT ELECTRONIC  
SIGNING - TO CONFIRM THE SIGNATURE  
IS REAL THE CONTRACT IS SENT FOR  
CONFIRMATION - AUTHORIZING COMPANY  
THAT PARTICIPANTS REGISTERED WITH.  
EACH PARTICIPANT IS CONTACTED, IF THEY  
SEND APPROVAL CODE THEN CONTRACT IS  
APPROVED.

OK





HERE CONTRACTOR - COULD BE 3rd PARTY - SAY BANK, LAWYER, ETC - OR EACH PARTY TOGETHER FROM CONTRACTOR. BY THIS EXAMPLE FOR INSTANCE 3 PEOPLE WANT TO ENTER AN AGREEMENT - THEY ARE ALL REMOTE - INSTEAD OF FAKING OR MEETING TO SIGN AGREEMENT THEY WANT E-SIGNATURE THAT IS VERIFIED TO BE CHECKED. THEY EACH E-SIGN, BY SOME APPROVED PROCESS - SAY VIA CONTRACT WEBSITE - AUTHORIZING COMPANY THAT 3 PARTIES ARE REGISTERED WITH THEM ARE CONTACTED. IF THEY ARE ACTUAL OWNERS THEN GIVE APPROVAL - AUTHORIZING COMPANY SENDS E-SIG CONFIRM CODE - AND CONTRACTOR(S) ALL RECEIVE CONFIRM CODE. IF ALL ARE VALID - CONTRACT IS VALID.

00 THERE ARE CERTAINLY OTHER WAYS TO USE THIS. WILL THINK ABOUT THAT.

76/10

SAFE CARD

# ADDRESSING SYSTEM

DEC 9  
1998

I have started writing up this patent. This write up is large, Not sure exactly on how write clear - so just going to leave that to attorney. As I do write up - need to converse with explaining the invention to make sure I have every possible element covered.

IPG

IPG - About halfway done  
on this project process - I  
have worked out REGISTRATION  
PROCESS, How Purchase TRIGGERS can be used, VARIETY  
OF TRIGGERS - STOCK like ANNOUNCEMENTS. STILL  
need to work out DYNAMICS OF how  
Purchases are made by large business. ALSO  
IS there A Phone - cell phone - web Application  
FOR instance - A TV-cable Box Method option?

BAITC6.com

BARACK.COM - STILL STRUGGLING WITH THIS  
NEED TO STREAMLINE MY  
APPROACH - NEED ESPECIALLY TO VERIFY THE  
VALUE OF GOALS - OR AUTHENTIC GOALS  
EXIST - NOT SURE HOW THEY WILL WORK -  
THIS QUESTION NOT READY YET.

## DIET WATCH

NETWATCH - This is both software and hardware innovation - See  
For my recent work on these  
innovations will quickly show rapid build  
prototypes even software simulation  
will suffice.

Plants of Jan 79  
Growth - off soil  
Return next year

82 *HK*

**SAFE-CARD**JAN  
14  
1999

I Need To Address Following remaining issues -

How is process used for checks?

Previously I detailed that in addition to credit card that process covered many other things - checks.

Question is more precisely how could this be accomplished.

One check EMBODIMENT IS AS FOLLOWS

(1) CHURN OF CHECKS ESTABLISHES A SECURE COMMUNICATION FOR AUTHORIZATION.

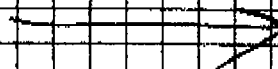
(2) BANK ISSUES CHECKS THAT HAVE ONE OR MORE OF FOLLOWING

(A) BARCODE THAT WHEN SCANNED BY COMPUTER INDICATES OWNER MUST BE NOTIFIED FOR AUTHORIZATION. THE BARCODE COULD ENTER LINE PHONE NUMBER OR EMAIL ADDRESS OR OTHER WAY COMMUNICATING TO OWNER. BANK OR AUTHORIZING AGENCY THEN CONTACTS OWNER LIKE CREDIT CARD.

(B) CODE - ADDED TO BOTTOM - SAME AS ABOVE NUMBER

(C) HIDDEN WATERMARK OR OTHER CODING THAT CAN BE READ BY BANK TELLING THEM THAT THIS IS "CHURN" AUTHORIZED CHECK - REQUIRING OWNER TO BE CONTACTED FOR APPROVAL.

ANOTHER ADVANTAGE OF THIS EMBODIMENT IS THAT IT COULD BE USED TO WRITE CHECKS TO PEOPLE WHO DON'T HAVE BANK ACCOUNTS BUT LIKE CASH CHECK CREDIT CARD. THESE OWNER AUTHORIZED CHECKS COULD BE PROVIDED TO EMPLOYEES



6/1/99

JAN 14, 1999

## SAFE-CARD -

CHECK USE  $\Rightarrow$  LOOKS LIKE THIS  
CARD IS ACTUALLY ANOTHER  
EMBODIMENT.

HERE IS APPLICATION

- (1) CHECK IS WRITTEN TO SOMEONE  
OWNED WANTS TO BE PAID. SO  
WRITES A CHECK - TO PAYEE
- (2) OWNER GIVES PASSWORD TO PAYEE  
TO USE INSTEAD OF ID WHEN  
CASHING CHECK
- (3) PAYEE CASHES CHECK AT ATM  
THE ATM CONTACTS OWNER BECAUSE  
IT READS CHECK AS CASH AUTHORIZED  
REQUIRED.
- (4) ATM ASK FOR REQUESTED PASSWORD
- (5) ATM CONTACTS OWNER - GIVES PASSWORD,  
CHECK AMOUNT, NAME PERSON - THEN  
OWNER CAN APPROVE OR DISAPPROVE.

★ THIS METHOD ENABLES ATM CHECK  
CASHING - PROTECTS PERSON CHECK  
IS WRITTEN TO - AND THE  
PERSON WHO WRITES IT

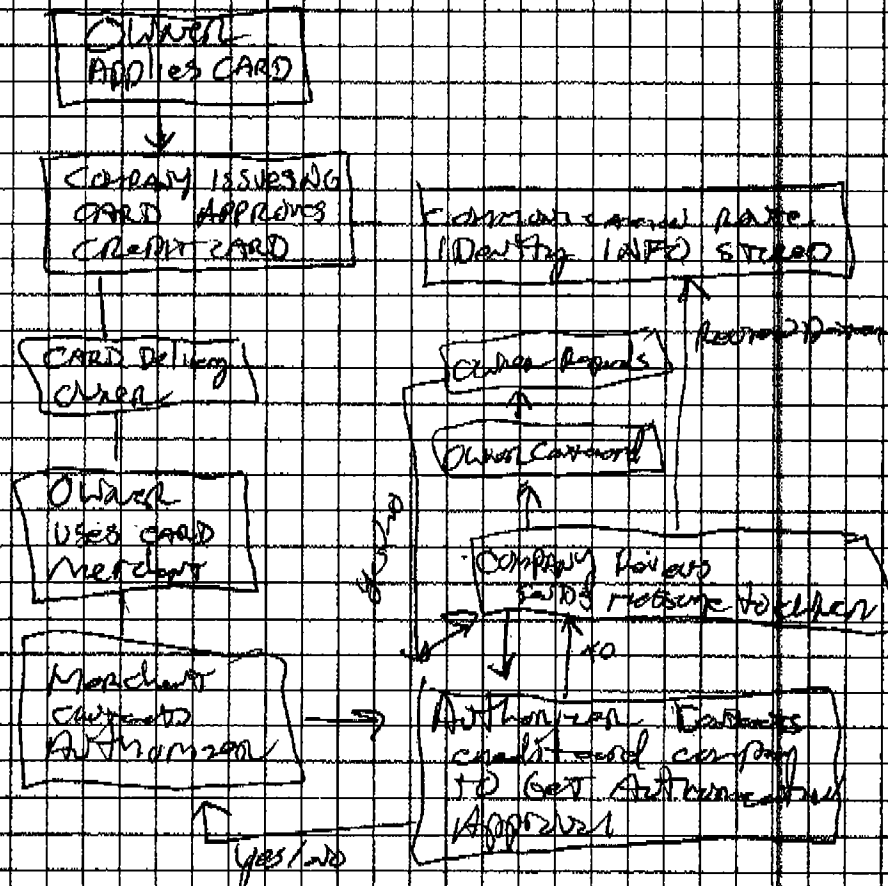
Good at 0

47/1/99

SAFE-CARDFeb 6  
1999

Still have not had a chance to write - type  
up anything from our picture. Little time  
so best to use it here - when satisfied  
that covered everything - then Larry can  
Type it.

NEED FLOW CHART TO BETTER  
EXPLAIN PROCESS



This is overall process. The intent  
are bit more complicated but kind same.

OK [initials]

March 22  
1999

SC

I am now 50% done on write-up.  
The process of going back through  
all details has been very useful  
in helping me to consolidate concepts  
and build a clean picture. I might  
even to change my picture of  
how I proceed on future interviews  
and have more habit on preliminary  
cases. Try this on PARTA, and which  
has level of complexity from to difficult.

What Advances have I made  
since Creek-Card - Am aspect?

Answer - CHILD PROTECTION ON NET.

A RISING PROBLEM on the internet is  
protecting children from pornography sites.  
Another problem is keeping adults out of  
sites that ~~enable adults~~ enter to children.

An ID SYSTEM could be created using  
Safe-Credit card system. Presently - some  
websites use credit card as means to  
determine if person having access is an  
adult - but there's always the easy for child  
to get credit card from parent or have access  
to parents' as they live in same house. If  
website required a safeguard to be used  
the likelyhood of child using the card  
would be greatly reduced.

Can system be used to keep adults out  
of child's electronics? Yes at least

partially. A Registration process that

① Used E-signature Authorization for contracts  
but would be for kids - they log in  
triggers

982K



March 22  
1999

LOGGING IN Triggers Authorization request  
that sends communication to Child's  
Identity software. The child then confirms  
their identity through some pre-defined  
method.

Hmm not too clear.  
Let's Diagram this out.

Let's Diagram

Parent takes child  
to Authorized outlet  
FOR INSTANCE - LAWRENCE MOTHERS

↓

Child inputs some data that be  
used when surveying Authorized  
Requests → could be selecting  
series of images,  
Questions  
Voice print  
Fingerprint

↓

DATA input into Program  
DATA Base of Child issued  
piece of Software -  
Call Software  
CHILD'S Soft ID

continued next page

March 22  
1999

THE Child's soft-ID could have  
unique ID # built into it as part  
Security.

Now when Child goes to website that  
is certified to be - CHILD SAFE - NO ADULTS.  
THE browser send Request TO

(CHILD-ADVERTISING - ID Agency)

Server Request out to IP Address  
that Child is using (this could  
be stored or its IP address changes  
each time - this info is used from  
website child is accessing at that time

Request to Child first goes to  
Child's ID Software - to make  
sure its child - the login / password  
is checked against Encoded ID

Child then asked password for IP,  
or security ID Question Known  
only to Child, could even ask  
Child to scan finger print if want  
clear ID!!

IF Internet rules - Child goes across.  
While Pedophile Parent could enter system -  
this at least reduces the number of  
number of Pedophiles - and gives clear  
tracking method - so even Pedophile parent  
would now likely stay away!

(100)

May 26

1999

## DIET-WATCH

Another Embodiment - the early version can opt to share their diet watch data with the central database - can also be required to share info with their primary info database. This data would feed back into diet database and provide ever increasing medical data on:

- ① metabolism
- ② diet behavior
- ③ success and failure of diet/exercise

The utility of such complex data base would be of commercial and scientific use.

now need update on

## SAFECARD

I think I have covered all main applications/embodiments for last 6 weeks. I have been reviewing what ever got chosen my prior dates and have not come up with another application.

At this stage my work on this invention extends till

write up stage. I have had Bill-Pat reviewed and he has recommended a list of changes.

There is no detail each step with numbers - so it is easier to describe.

So I might draw heavily on

new ideas of my patent - but not

this with  
highly  
to

(SAFE CARD)

July 7  
1999

The process of writing up preliminary  
draft opened up several questions!

① Should I provide less detail  
and just get a rough idea down  
so that I don't get in trouble  
with real - actual filings.

I talked several attorneys. They  
of course want me to have the file  
planning. BUT I can go as far as  
Decide Edit down for preliminary,  
while providing more detailed  
documents to Attorney.

② OK - not really question BUT  
Realization that my Embodiment ID  
description is not complete - came  
up following while typing up my  
Embodiments - Applications

Owner of DRIVERS license or passport (classical)  
could request that communication route  
be tied to their ID. This would require  
government approval or a 3rd party trusted  
ORGANIZATION could add this feature.

Now when Owner of ID goes to  
website that requires certain age - that  
website will then say DRIVERS license to  
be entered along with say name and  
age. Authorization request is sent  
out from that website →

(117)  
LP

July 7  
1999

Safe-card and use for ID

So website sends Authorization request  
from the authorizing Agency then

sends out communication to Registered  
Client via communication and  
confirm they are requesting access.

This would keep most under age people  
from accessing Adult websites  
and has added advantage that  
credit card is not required.

② Question - Should use patent language  
terms in my Prelim - or  
stick to common terminology  
that I have chosen  
understanding?

Answer -  
Patent language.

Aug 1, 1999

MAN Time flies. I spent lot of time researching to make sure no points were left - list of field of funds now included in my Application.

New Name for Safe-card

METHOD AND APPARATUS FOR A

DUEL-CONSUMER-MERCHANT

CREDIT CARD AUTHORIZATION.

I have completed my Background discussion and think its Ready to go.

Also added to this variety of reasons and detailed previous such as giving number of automatic purchases - like buying gas that never ask for ID.

My research found up variety of reports that are not as good as my invention such as discover card sending early reports out - other card needed spending limit - use less to control spending.

I have greatly improved my description process. Following what I have learned my descriptions for prior card and my improvements have lot more to go on.

Embodiments - my current descriptions have don't meet patent standards.

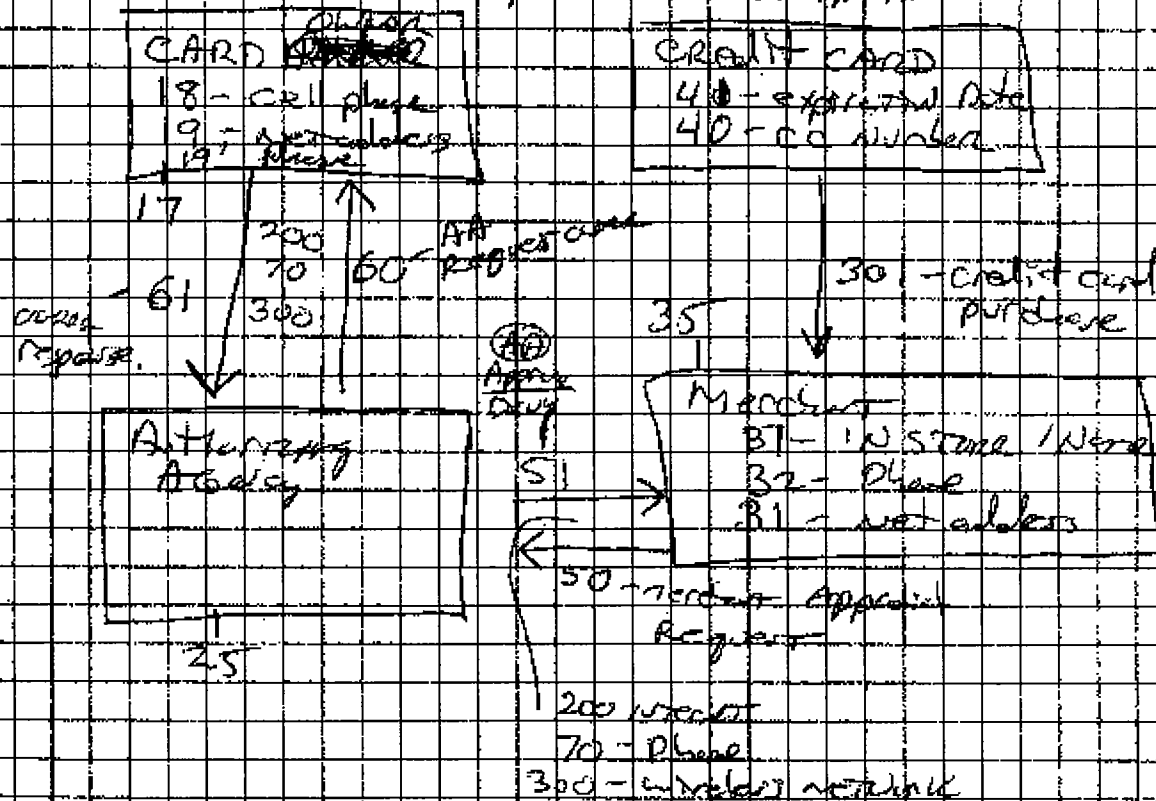
17.12 standards

# DUEL Authorization

Aug 3  
1999

Today Goal is to finalize my description  
of Flow Diagram for the DUEL  
Consumer-Merchant Authorization Credit card  
process.

## New Better Diagram / Description



The following diagram makes much clearer  
ON how the system works. Note - connection  
is made between Merchant 35, card Authorizing  
Agency 25 via internet 200, phone 70,  
and via wireless network 300. The approval  
request 60 from Authorizing Agency 25 is sent  
to pre-registered suspension 17 which in  
above key is cell phone 18, internet address 19, or  
license plate 17. CARD owner 12 then sends  
response 61 via internet 200, phone 70, or wireless  
network 300 using the pre-registered suspension (18-19)  
and depending on response 61, Authorizing  
Agency 25 sends reply approval 51 to merchant.

18  
7K

Aug 3  
1999

Duel - Consumer - new design  
Credit Card A

The various <sup>Security</sup> features discussed can  
be layered with the embedded  
described page 118.

This means passwords, Voice print,  
Finger print, etc could be required  
from CARD owner 17, when  
sending reply 6.1 to Authorization  
Agency 25. If Security network  
is not properly connected then  
Authorization Agency will deny cardholder's  
Approval Request 50.

on  
card

110  
PK



Oct  
2 1999

QUR1 - consumer - merchant - authentication

It's a good day! Completed my re-drafting of figures, only have one left to do. This rate, see file next week depending on work schedule. Figured out how to distinguish between output, user, owner's communication and owner's communication owner's credit card.

It's time considering translating everything into "patent speak", but getting there.

IP6

- I am working with John Gurnee and Dr. Talmadge on how to implement this on the meter. So far came up with 9 different variations. Key to have more ways to do this in the patent. PD part is completing and looking a better off. Some came but - this work okay if it's very unique.

Booster.com

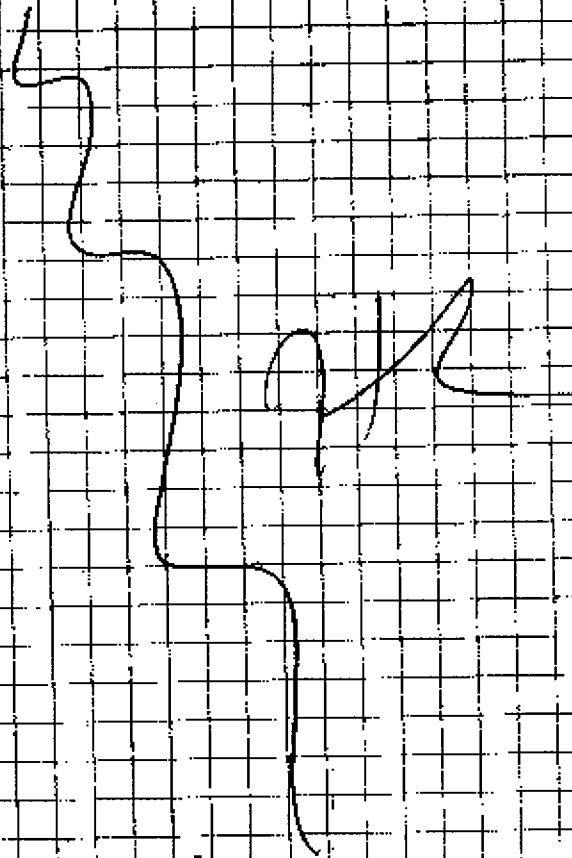
- Developing this at slower pace - still struggling with how you verify value - gave through that idea is in my head and in discussion with Carrie - but so far no solutions. But all time for now in Del till its done - then come back to this -

12/2/99

Oct 1999  
301

[DUE! AUTHORIZED]

Missed my goal, have not had  
chance to complete description  
will need get this done before  
year end. Have no time right  
now.



JK  
125